

VZCZCXYZ0000
RR RUEHWEB

DE RUEHEG #3161 3030952
ZNY CCCCC ZZH
R 300952Z OCT 07
FM AMEMBASSY CAIRO
TO RUEHC/SECSTATE WASHDC 7326
INFO RUEHVI/AMEMBASSY VIENNA 0078
RUEAIIA/CIA WASHDC
RHEBAAA/DEPT OF ENERGY WASHINGTON DC
RHEFDIA/DIA WASHINGTON DC
RHMFISS/HQ USCENTCOM MACDILL AFB FL
RUEKJCS/JOINT STAFF WASHDC
RHEHNSC/NSC WASHDC
RUEKJCS/SECDEF WASHINGTON DC

C O N F I D E N T I A L CAIRO 003161

SIPDIS

SIPDIS

E.O. 12958: DECL: 10/29/2012
TAGS: [PREL](#) [ENRG](#) [IAEA](#) [EG](#)
SUBJECT: PRESIDENT MUBARAK ANNOUNCES EGYPT WILL ESTABLISH
NUCLEAR POWER STATIONS

REF: VIENNA 637

Classified By: Minister Counselor for Economic and Political Affairs
William R. Stewart for reasons 1.4(b) and (d).

¶1. (SBU) President Mubarak announced on October 29 that Egypt will establish a number of nuclear power stations to generate electricity. Following the inauguration of a power plant in North Cairo, Mubarak said Egypt will "prepare the program for building several nuclear power stations," noting that "energy security is a major part of building the future for this country and an integral part of Egypt's national security system." Mubarak also said he would re-establish the Supreme Council for the Peaceful Purposes of Nuclear Power to oversee the program and that Egypt would seek the help of "international partners" and the IAEA to build the plants.

¶2. (C) The GOE has been studying a potential nuclear energy program since Gamal Mubarak's September 2006 statement at the annual National Democratic Party (NDP) conference that Egypt would consider whether to launch a nuclear program to reduce its reliance on fossil fuel. On October 25, President Mubarak reportedly met with the Supreme Council of Energy to discuss the national energy strategy, peaceful uses of nuclear energy, and renewable energy and also reviewed the principal GOE-sponsored assessments of a nuclear program. Analysts predict that the NDP's Energy Committee, led by Secretary General Dr. Ali El Saidi, will present a paper on

SIPDIS
the nuclear proposal at the upcoming NDP conference (November 3-6) and that either Gamal Mubarak or President Mubarak will discuss the government's decision to develop nuclear energy in greater detail at the conference.

¶3. (C) Comment: Egypt has been cautious, thus far, in engaging with us on potential cooperation on civilian nuclear energy. Most recently, the GOE declined to send the Minister of Electricity to a GNEP ministerial in Vienna, opting instead to send representatives of Egypt's Atomic Energy Agency and the Nuclear Power Plant Authority. Meetings with the nuclear officials on the margins of the ministerial also signaled Egypt's cautious approach to engagement (reftel). Given the financial and technical complexity of constructing nuclear power stations, progress on the initiative will likely be slow. But the announcement alone will trigger increased interest in cooperation by nations such as Russia and China that have a developed expertise in the field. The announcement may be, in part, an effort to boost both Egypt's

credentials in the region and the Mubaraks' credibility with the Egyptian people.
RICCIARDONE